



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 20, 2011

CERTIFIED RETURN RECEIPT

7004 1160 0003 0191 9059

Barry Peterson
K Four Ranch, Inc.
1648 South 600 West
Oakley, Idaho 83346

Subject: Extension to Complete Reclamation, K Four Ranch, Inc., Briggs Quarry, S/003/0058,
Box Elder County, Utah

Dear Mr. Peterson:

On June 13, 2011, you again requested an extension of the deadline to either have the Briggs Quarry reclaimed, or to post an adequate reclamation surety. As per the Division's letter of March 17, 2011, you were to either have the site reclaimed or provide a surety in the amount of \$25,100.00 by July 1, 2011. Division inspector Lynn Kunzler was in the area of the Briggs Quarry on June 22, 2011, and confirmed that the site was not accessible on that date, due to large snow drifts across the access road. Therefore, the Division will extend your request to complete reclamation by November 1, 2011. Reclamation work will need to be initiated by mid September to assure the site is reclaimed. Please note, if you are unable to complete the work by November 1, 2011, you must provide the surety in the amount of \$25,100.00. No mining or removal of product is allowed unless the surety amount is increased.

The Division does not anticipate allowing an additional extension to the deadline to either reclaim or submit the surety. Failure to complete reclamation or to submit the surety by November 1, 2011, is likely to result in enforcement action, including civil penalties and revocation of the Notice of Intention to Commence Small Mining Operations.

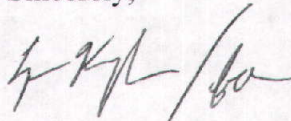


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Also, as stated in our letter of March 17, 2011, the Briggs Quarry is permitted to K Four Ranch, Inc., n not Junction Valley Stone or Gold Star Stone (nowhere in your letter do you mention K Four Ranch, Inc.) Please note, none of these business names are registered to do business with the Utah State Division of Corporations. This registration needs to be taken care of immediately. Please notify the Division when the registration is completed. Without this registration, these companies cannot enter contracts, such as the reclamation contract the Division requires.

If you have any questions about the requirements of this letter, please call me at (801) 538-5261 or Lynn Kunzler at (801) 538-5310. If the assumptions made in this letter are incorrect, please let us know as soon as possible. Your prompt attention to this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker' with a stylized flourish at the end.

Paul B. Baker
Minerals Program Manager